ASSEMBLY, No. 4413

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JULY 20, 2020

Sponsored by:

Assemblyman JON M. BRAMNICK
District 21 (Morris, Somerset and Union)
Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)
Assemblywoman BETTYLOU DECROCE
District 26 (Essex, Morris and Passaic)

Co-Sponsored by:

Assemblymen Wirths, DePhillips, Assemblywoman Schepisi, Assemblymen DiMaio, Bergen, Giblin, Mazzeo, Armato, McGuckin, Catalano, Verrelli, Assemblywoman Dunn, Assemblymen Johnson, Scharfenberger, Assemblywoman Lampitt, Assemblyman Mejia, Assemblywomen DiMaso, Swain, Assemblyman Tully, Assemblywomen Downey, Jimenez, Murphy, Assemblymen Rooney and Chiaravalloti

SYNOPSIS

Appropriates \$30 million to EDA from federal "Coronavirus Relief Fund" to assist food establishments impacted by Executive Order No. 158.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 8/27/2020)

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AN ACT allocating federal funding to assist food establishments and making an appropriation.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

- 1. a. There is appropriated from the General Fund to the New Jersey Economic Development Authority the sum of \$30 million from a portion of those federal block grant funds allocated to the State from the federal "Coronavirus Relief Fund," established pursuant to the federal "Coronavirus Aid, Relief, and Economic Security Act," Pub.L.116-136, for use by the authority to provide financial support, by way of loans or grants, to food establishments for the costs associated with business operation interruptions caused by Executive Order No. 158.
- b. The authority shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes of this act.

2. This act shall take effect immediately.

STATEMENT

This bill appropriates \$30 million to the New Jersey Economic Development Authority from a portion of those federal block grant funds allocated to the State from the federal "Coronavirus Relief Fund," established pursuant to the federal "Coronavirus Aid, Relief, and Economic Security (CARES) Act," Pub.L.116-136, for use by the EDA to provide financial support, by way of loans or grants, to food establishments for costs associated with business operation interruptions caused by Executive Order No. 158.

Over the past four months, the State has been confronting the viral disease known as coronavirus 2019 disease (COVID-19), which has necessitated certain emergency measures to curtail its spread. As part of these measures, on March 21, 2020, the Governor signed Executive Order No. 107, which directed all residents to stay at home until further notice and closed all non-essential businesses to the public. This order affected thousands of businesses and especially food establishments, some of whom shuttered their doors permanently. In the months following this order, subsequent orders have been signed lifting these restrictions as cases of COVID-19 have fallen, and since June 15, 2020, food establishments have been able to offer outdoor dining service, which has helped recoup some of their losses.

In light of this progress, on June 26, 2020, the Governor, as part of his administration's reopening plan, signed Executive Order No. 157, which allowed food establishments to offer indoor dining

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1 service, with limitations. This order, originally scheduled to go into 2 effect on July 2, was a source of added relief for food 3 establishments who were struggling financially, even after the 4 reopening of outdoor dining. Yet, with hospitalizations for 5 COVID-19 having fallen 90 percent since April, and with the State on track to contain the disease, the Governor reversed his decision 6 7 to reopen indoor dining, citing a rise in COVID-19 cases in other 8 states. This decision, formalized under Executive Order No. 158, 9 severely affected food establishments who hired additional staff and 10 equipment in anticipation of reopening, and may lead some 11 establishments to close permanently. Under this bill, \$30 million will be allocated to the EDA from 12 13 the "Coronavirus Relief Fund" in order to financially support food 14 establishments impacted by Executive Order No. 158. By providing

this support, an important part of our State's economy and culture

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will be protected.